REPORT CARD

YEAR 2000 PROGRESS

for

Federal Departments and Agencies

Overall Grade: D

Agency Grade Distribution

Number of Agencies (y-axis: 0–10)

Grades: A (3), B (6), C (8), D (2), F (5)

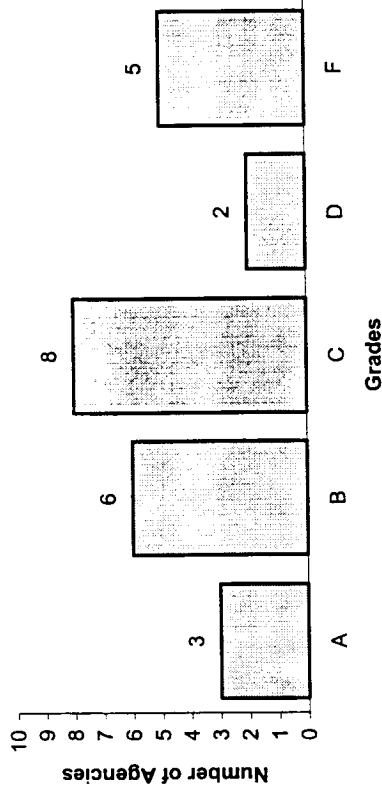## Federal Department and Agency Grades
For November 13, 1998

Please sign your report card and have your
department or agency head sign
to designate awareness of your progress this grading period:

_____
Department or Agency Chief Information Officer

_____
Department or Agency Head

YEAR 2000 PROGRESS REPORT CARD

	98 Feb 15	98 May 15	98 August 15	98 Nov 13	2000 Final Exam
SBA Small Business Administration	B	B	A	A	
SSA Social Security Administration	A	A+	A	A	
NSF National Science Foundation	A	A-	A	A	
EPA Environmental Protection Agency	B	F	B	B+	
GSA General Services Administration	C	A-	B+	B+	
Interior Department of the Interior	C-	C-	D	B	
FEMA Federal Emergency Management Agency	D-	A-	B-	B	
Commerce Department of Commerce	B	B	B	B	
VA Department of Veterans Affairs	A	C	B-	B-	
NASA National Aeronautics and Space Admin	D	B	C+	C+	
HUD Dept of Housing and Urban Development	B	C	C	C	
Labor Department of Labor	F	C	D	C	
Agriculture Department of Agriculture	B	D	C	C	
Treasury Department of the Treasury	D	C	D+	C	

	98 Feb 15	98 May 15	98 Aug 15	98 Nov 13	2000 Final Exam
OPM Office of Personnel Management	B	C-	D	C-	
Education Department of Education	F	D	F	C-	
NRC Nuclear Regulatory Commission	C-	B	D	C-	
DOT Department of Transportation	F	F	D	D	
DOD Department of Defense	F	D	D	D-	
Justice Department of Justice	C-	D	F	F	
DOE Department of Energy	D-	F	F	F	
HHS Dept of Health and Human Services	D	F	F	F	
State Department of State	F	F	F	F	
AID Agency for International Development	D-	F	F	F	
Administration Overall Federal Departments and Agencies	D-	F	D	D	

YEAR 2000 PROGRESS   Federal Departments and Agencies

AGENCY SELF-REPORTED DATA FOR LAST 3 MONTHS / November 13, 1998	MISSION-CRITICAL SYSTEMS				ADDITIONAL CRITERIA				GRADE
	Total Systems	Systems Compliant as of Nov 13	*Estimated Compliant by March 1999	*Estimated Year 100% Compliant	Contingency Plans	Telecommunication systems	Embedded Systems	External Data Exchange	
SBA — Small Business Administration	42	100%	100%	1998	IP	IP	IP	-	A
SSA — Social Security Administration	308	99%	100%	1999	+	IP	IP	IP	A
NSF — National Science Foundation	17	88%	100%	1999	+	IP	-	IP	A
EPA — Environmental Protection Agency	58	90%	97%	1999	-	IP	IP	-	B+
GSA — General Services Administration	58	88%	96%	1999	+	IP	IP	+	B+
Interior — Department of the Interior	92	82%	94%	1999	+	IP	-	-	B
FEMA — Federal Emergency Mgmt Agency	46	85%	93%	1999	IP	+	+	IP	B
Commerce — Department of Commerce	458	80%	91%	1999	IP	IP	IP	+	B
VA — Department of Veterans Affairs	319	72%	85%	1999	IP	IP	IP	+	B-
NASA — National Aeronautics and Space Admin	157	76%	83%	1999	IP	IP	IP	IP	C+
HUD — Dept of Housing and Urban Development	62	73%	83%	1999	+	IP	IP	IP	C
Labor — Department of Labor	61	67%	78%	1999	+	IP	IP	IP	C
Agriculture — Department of Agriculture	362	65%	76%	1999	+	IP	IP	IP	C
Treasury — Department of the Treasury	323	63%	73%	1999	IP	IP	IP	IP	C
OPM — Office of Personnel Management	109	61%	70%	2000	+	IP	+	IP	C-
Education — Department of Education	14	64%	69%	2000	+	IP	IP	IP	C-
NRC — Nuclear Regulatory Commission	7	57%	69%	1999	+	+	IP	+	C-
DOT — Department of Transportation	613	51%	61%	2000	IP	IP	IP	IP	D
DOD — Department of Defense	2581	52%	59%	2000	IP	IP	-	IP	D-
Justice — Department of Justice	223	54%	59%	2001	IP	-	IP	IP	F
DOE — Department of Energy	420	50%	55%	2001	IP	-	IP	IP	F
HHS — Dept of Health and Human Services	300	49%	54%	2001	+	IP	IP	IP	F
State — Department of State	59	36%	36%	2034	IP	IP	IP	IP	F
AID — Agency for International Development	7	14%	15%	2023	-	IP	IP	IP	F
TOTAL — All Departments and Agencies	6696	61%	69%						D

*All progress, calculations, and estimates are based on subcommittee staff's analysis of agency self-reported data.

The estimated percentage of mission-critical systems done by March 1999 OMB deadline is a subcommittee estimate based on agency rate of progress. Additional Criteria are rated "plus" if the agency is nearing completion or completed the task; rated "negative" if the agency is significantly behind; or "IP" if the task is in progress.

How Grades Were Assigned

The primary determinant of grades is the percentage of mission-critical systems estimated to be compliant by OMB's March 1999 deadline. The percentage compliant by March 1999 is calculated using an agency's rate of progress averaged over the six reporting quarters. We then ranked the agencies by the number of systems compliant as of November 13, 1998.

A base grade of "A" is awarded to a department or agency whose mission-critical systems are estimated to become one hundred percent (100%) Y2K compliant before the March 1999 deadline. Ninety percent (90%) and above receives a base grade of "B." Seventy percent (70%) and above is a base grade of "C" and sixty percent (60%) and above earns a "D." Anything below 60% compliant on the March 1999 deadline earns a base grade of "F."

The estimated full compliance dates were only part of an overall subcommittee analysis of agency Y2K performance. Our analysis included additional factors that raised or lowered grades from their base grade. The additional factors included:

1. Contingency Plans – agencies should have at least basic contingency plans in place already. Many agencies have made the fundamental error of preparing contingency plans only for those systems they know will be late. We and GAO insist that agencies prepare contingency plans that assume systems failures and still maintain basic operations. These plans are being called business continuity plans to distinguish them from current weak agency contingency plans.

2. Telecommunications Systems – In-house PBXs, LAN/WAN, and commercial switched networks are all vulnerable to Y2K problems. By now all agencies should have completed a thorough inventory and assessment of all telecommunications systems. We would expect a reasonable percentage to now be compliant and a realistic plan in place for the remainder.

3. Embedded Systems -- Microprocessor chips of various types are often built in (embedded) to control devices. They may measure such basic things as gallons per minute of water flowing through a pipe or read magnetic strips in security badges. Many embedded chips that have no overt date dependencies nonetheless use date related calculations. Unfortunately, the only way to know whether or not most embedded chips are compliant is to test them. Agencies should have a complete inventory of all embedded chips, know the compliance of a reasonable percentage thereof, and have a remediation plan in place.

4. External Data Exchange -- Like "no man is an island," few computer systems are self-contained. Most computer systems exchange data with other computer systems. It is unfortunately easy for external data that is not Y2K compliant to corrupt another computer system that is Y2K compliant. All agencies should have a complete inventory of all data exchanges, with emphasis on external data exchanges, know which are compliant, and have a plan in place for the remainder.

5. Percentage of renovated systems. OMB established the date of September 30, 1998 for agencies to complete renovations of their mission-critical systems. If an agency did not meet the renovation milestone and the current percentage of renovated systems is low, it was determined that the agency will have difficulty meeting the March 1999 deadline.

6. Strong management involvement. If the senior executives of a department or agency have taken a leadership role and demonstrated significant involvement in Year 2000 activities, this factor figured positively in the determination of the grade.

7. Heavy reliance on the high risk strategy of replacing systems. Because agencies have a very poor track record of delivering new systems on time and within budget, when an agency/department reported a high percentage of mission-critical systems as being replaced (versus being repaired) the base grade was lowered.